BUDGET SPEECH

DELIVERED BY

HON. J. C. McCORKILL

PROVINCIAL TREASURER

IN THE

LEGISLATIVE ASSEMBLY OF QUEBEC

APRIL 19TH, 1904

QUEBEC
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MR. SPEAKER,

It is now almost seven years since the electors of this Province, in their wisdom, entrusted the mandate of government to the late, and much respected Honorable Félix Marchand.

Upon assuming office he undertook, in addition to the leadership, the responsible and arduous task of administering and adjusting our finances. How ably and how satisfactorily he fulfilled this task has become a matter of history.

Among the able members of this House whom he called to his assistance was one whom I had known from my college days; with whom I had campaigned in the political field, and contended in the law courts; one of whom therefore I can speak with some degree of authority: —a man of great industry, of conspicuous ability, of sound judgment, of ready and eloquent speech—a strong, safe man, a man of purpose and of progress—the late Hon. Thomas Duffy.

With what success Mr. Duffy presided over the Department of Public Works from 1897 to 1900 has also become a matter of history.

On the 25th of September 1900, Mr. Marchand having spent a long and useful life in his profession, in politics, in literature, and in social and domestic circles; having fulfilled his pledges to his people; having re-established an equilibrium in our finances; in the enjoyment of the respect and confidence of his fellow citizens, without distinction of race or creed, was summoned to his reward.

PARENT ADMINISTRATION

He was succeeded in the Premiership by our present respected leader and in the Treasurership by the late Mr. Duffy.

I need not tell the members of this House how faithfully, how disinterestedly, and how ably Mr. Duffy looked after our finances for the three years during which he was our Treasurer, for it is known to them even better than it is to me.

Few public men in our time have received from opponent as well as colleague and follower, higher tribute to his worth than was paid to him when it became known on the afternoon of the 2nd of July last, that he also had been summoned to his reward.

The Premier of the Province did me the honor to ask me to accept the portfolio of Treasurer. Notwithstanding the fact that I felt there were distinguished members of this House who could fill the office with more ability than I possibly could, I felt it my duty to accede to his wish. I resigned my seat in the Legislative Council, and accepted the nomination to a seat in the Assembly for the County of Brome, rendered vacant by the death of Mr Duffy.

I wish most sincerely to thank the members of this House for the hearty welcome which they have accorded to me, and I wish particularly to thank the members on the right, generally, and irrespective of nationality, for the very loyal support which they, one and all, have given me since my acceptance of office.

I need not tell you, Sir, that in the short time since I have actively entered upon my duties as Treasurer, (for as you know a good deal of my time has been occupied in preserving the seat which was so hard to win) I have found the task of mastering the details of the finances of the Province a difficult one.

I found upon looking at the financial statements of several of my predecessors that they assumed office with a certain degree of hesitation and anxiety, and frequently craved the indulgence of the House when they presented their annual financial statement before it. Certainly, had I not had most able, willing, and zealous assistants to aid me in my duties I never could have been in a position at this time to present before this House the financial statement for the year which closed on the 30th of June last.

At the opening of the House the Public Accounts were laid upon the table. They show the financial operations of the Province for the past year to have been most successful, as I have no doubt you have all since verified.

History now tells us that the succession of deficits which culminated in the gigantic sum of $987,316 48, in the financial year 1896-97, gave way, under the wise and prudent management of our finances by the late Mr. Marchand, to surpluses of various amounts, of which the largest was $22,829.05, and the Public Accounts of the past fiscal year show that the wise, prudent, and able administration of our finances continued during the Treasurership of Mr. Duffy, who left as a monument to his memory the handsome surplus of $103,712.22.

Indeed, Sir, having had practically nothing to do with the administration of the affairs of the Province in the past, I the more readily pay tribute to my predecessors in office, and their colleagues, and declare, without fear of contradiction by any disinterested right minded citizen, that the administration of our finances, since 1897, has been beyond criticism and beyond reproach.

RECEIPTS AND EXPENDITURE 1902-03

Now, Sir, let us open the Public Accounts for the past fiscal year and see what they show us. Among other things, they show the ordinary receipts and expenditure to have been as follows :

Ordinary receipts	$ 4,699,772 87
Ordinary expenditure	4,530,616 88
Surplus	$ 169,155 99

The Extraordinary Expenditure has been...	65,443 77
The surplus therefore of Ordinary Receipts over Ordinary and Extraordinary Expenditure was..... ..... $	103,712 22

The total receipts and expenditure, exclusive of Railway and Quebec Bridge Subsidies, and Q. M. O. & O. Railway Construction, and amounts paid and received in conversion of debt, have been as follows :—

Receipts..... .... $	4,746,357 98
Expenditure.....	4,702,629 88
Excess of Receipts ..... $	43,728 10

ESTIMATES

The estimates for the same year were :—

Ordinary receipts..... $	4,399,916 10
Ordinary expenditure.....	4,340,021 16
Estimated surplus .... $	59,894 94
The actual ordinary receipts have been.....	$4,699,772 87
The estimate of ordinary receipts as above was.....	4,399,916 10
Excess of actual over estimated receipts..... $	299,856 77
The actual ordinary expenditure as already given was.....	$4,530,616 88
The estimated ordinary expenditure as already given was..	4,340,021 16
Leaving an excess of actual over estimated expenditure of.. $	190,595 72

My observation has been that some of the items of receipts and expenditure vary considerably from year to year. In estimating the receipts and expenditure one has to take into consideration the experience of past years, with the prospect of the coming year based upon the general outlook and prosperity of the Province.

The receipts from the various services which exceeded the estimates aggregated the sum of..... ..... $	420,395 04
The services which fell short of the estimates amounted in all to.....	120,538 27
Showing actual over estimated receipts..... $	299,856 77

The following were the principal items of receipts which exceeded the estimates :—

Interest on price of the Q. M. O. & O. Railway	$	6,216 67
Building and Jury Fund. (Made up largely of arrears)		62,737 43
Licenses		42,602 07
Lands, Mines and Fisheries		257,186 46
Taxes on Commercial Corporations		16,338 23
Maintenance of Insane		14,486 58
Legislation		7, 38 95

I wish to make a few observations on two of these services, viz :— 1st. Licenses, 2nd. Lands.

THE LICENSE LAW

I believe we have a fairly good License Law. It of course is not perfect, but as imperfections are made apparent this Government will further its improvement. It had been the intention of the late Treasurer to hold an inquiry into the working of the law, but unfortunately his demise shortly after the prorogation of the last session, prevented it. I am in hearty sympathy with the idea of such inquiry, and hope during recess to put it to the test in a manner to satisfy interested parties.

The receipts from Licenses constitute an important factor in the revenue of the Province. The total from this source last year was	$	692,602 07
In the preceding year it was		681,229 18
Difference	$	11,372 89
In the year 1900-01 it was		$661,968 23
Being less than last year by		30,633 84

DETAILS 1902-03

The principal contributions towards the sum collected from this source last year were the following :—

Hotel Licenses	$	203,135 61
Restaurants		170,882 50
Retail Liquor Shops		180,826 78
Wholesale and Retail Liquor Shops		12,250 00
Wholesale Liquor Shops		8,179 16

LANDS, MINES AND FISHERIES.

Now, Sir, a word about the Department over which the honored Leader of this House has (notwithstanding all that his opponents have said, or may say, to the contrary) presided with such conspicuous credit to himself, profit to our Treasury, and benefit to our Province and its inhabitants.

Last year the Premier, as Minister of Lands, Mines and Fisheries, turned over to the Treasury the handsome sum of.. $ 1,455,386 46

The principal items forming this sum are the following—

Timber dues	$ 667,631	96
Sale of timber licenses	352,004	58
Ground Rent	187,206	25
Sale of Crown Lands	76,776	66
Fisheries	63,119	93

Sir, it must be self-evident that a Department whose revenue exceeds 30 per cent of the total revenue of our Province from all sources must be an important one, and I assure you no one realizes this more than the Treasurer. It is certainly the Department which is the most laborious and most troublesome, and which demands, for its successful and profitable administration, business ability and forethought of the very highest order.

This Department, and its sister Department of Colonization, have been brought prominently before the public of the Province in an attempt to deceive it into the belief that our public domain is being exploited in the interest of the Republic to the south of us; that our forest lands are being devastated, and that our pioneers, our colonists, are being ill-treated and sacrificed.

The Ministers of Agriculture and Colonization ably refuted the charges and insinuations of our opponents in their speeches on the address at the opening of the session.

They showed clearly, basing their remarks upon the opinions of the greatest experts in forestry and the most experienced lumbermen of the Province, without regard to their politics, that if our forests could be preserved from fires, under the regulations which prevail, limiting the size of the trees which are to be cut, our forests would renew themselves in from 18 to 25 years, and that therefore they could not be destroyed and devastated.

Moreover, the following additional benefits would continue to be derived by the Province:

(1). *Assistance from the lumbermen in protecting the forests from fires.* It would take an army of men, and a large proportion of the revenue of the Department, to supply adequate protection for our forests against fire without the assistance which is now derived from the lumbermen.

(2). *Ground rent of* $3.00 *per mile per annum* for every mile of limits which is leased to the lumbermen, amounting last year to $187,206. 25.

Indeed, Sir, were it not for the fact that my Department is directly and most vitally interested in one of the subjects of criticism I would not trespass upon your time to make any personal observations at this time.

But, Sir, the demand of our opponents, that the policy which they inaugurated at Confederation, and continued all the years they were in office, shall now, because we have improved upon it, and by wise and intelligent business methods have made it profitable, be entirely changed—the demand that we shall cease to lease our timber limits—strikes such a blow at our future prosperity as a Province that I feel I must raise my voice in protest.

ABOLISHED TAXES.

In 1895-6 the Government, of which the Leader of the Opposition was then the head, collected from direct taxes, which have since been abolished, the substantial sum of...		$281,490 69
from the following sources:—		
Transfers on property	$184,254 50	
Manufacturing and Trading licenses	79,728 52	
On certain persons	17,507 67	
		$281,490 69

We have been deprived of this source of revenue since we have been in power, and I know I voice the sentiment of this House, aye, of this Province, when I say there is no desire to see it revised.

But, Sir, if in this growing time any of our present sources of revenue are cut off, what shall be our future? Is anyone so blind he will not see that in such an event two alternatives must inevitably confront us, namely fresh loans or direct taxation.

The Liberal party shrinks from both alternatives, while apparently our opponents view them with calm and cool equanimity.

We cannot, therefore, consent to be driven into a policy which we feel sure will re-introduce an age of deficits, and make fresh loans or additional direct taxes, a necessity.

We are confident, from the knowledge which has been gained from a deep study of all questions relating to our forest lands, that our public domain may be administered in such a manner that, if we can preserve our forests from destruction or damage by fire, we may continue to draw such revenue from them as shall, with our other resources, keep us out of further debt for an indefinite period, or until such time as new colonists shall spread over the whole land.

Coming back to the *services which yielded less revenue than was estimated*, the following are the principal :—

Law fees	$ 4,475 33
Duties on successions	106,179 45
Official Gazette	1,655 06
Railway Subsidies Tax	6,646 54

SUCCESSION DUTIES

It was estimated that the duties on successions would have yielded	$ 260,000 00
The actual amount collected was	153,820 55
Difference	$ 106,179 45
For the year ending the 30th June 1901, the amount derived from this source was	$ 163,511 38
For the year ending 30th June, 1902, the amount received was	$ 222,763 73
The estimate therefore that the revenue from this source for the year ending 30th June, 1903, would be	$ 260,000 00
was quite reasonable, more particularly as the current year has thus far yielded over	$ 281,000 00

PAYMENTS IN EXCESS OF ESTIMATES

The principal payments which have been in excess of the estimates are the following:

Public Debt (Made up of interest and Sinking Fund)		$ 17,799 80
Administration of Justice (Made up largely of the cost of criminal prosecutions, and Sheriffs' contingencies, due to unexpected terms of the Court of King's Bench, or to extra long terms)		81,571 29
Public Instruction		7,500 00
Colonization (For roads)		11,500 00
Agriculture (Made up principally of expenditure for Farmer's Clubs, Improvement of Rural roads, Dairy Schools, etc.		32,812 04
Miscellaneous Services		30,702 34
Which includes :—Expenses of the Commission to assist the advancement of Colonization	$ 10,000 00	
Laval University, Jubilee grant	15,000 00	
and Bishop's College, Lennoxville, Jubilee grant	5,000 00	
For Payments by Sheriffs out of collections of which there was no estimate		14,438 23

ANNUAL INTEREST CHARGE

We must never lose sight of the fact that before we begin to provide for the expenses of the ordinary services of government we must set apart the enormous sum of about $1,600,000 00 *for interest, etc., on our Public Debt.*

Last year we paid for this service	1,577,583 19
Deducting this from our receipts, which were	4,699,77[illegible]
Leaves for ordinary and extraordinary expenses of government $3,122,18[illegible] *being $1.89 per capita of our population.*	
In other words, instead of	4,699,772 87
we have only	3,122,189 68

to devote to Public Instruction, Agriculture, Colonization, Public Works, Administration of Justice, Legislation, Civil Government, our Public Domain, Asylums, Hospitals, Charities and other miscellaneous services.

Compare this with the ordinary receipts of our sister Province of Ontario, whose population exceeds ours by only 534,049, and which amount to $5,466,653.13, being $2.50 per head of its population, and we see that Ontario has $2,344,463.45 in excess of what we have to spend on the same services.

Do you not marvel, Sir, that we have been able to do as much as we have in the development of the different departments of our provincial life. Our opponents delight to tell us what Ontario is doing in the development of its northern territory, and seek to make comparisons which are unfavorable to us. Sir, is this fair or just? How can we, with a revenue such as I have referred to, be expected now to enter into rivalry with Ontario in opening arteries into, and developing, our great north ond?

We must be content to push our colonization into these regions more slowly, and according to our means,—which we have been doing steadily and successfully during the l seven years.

PUBLIC INSTRUCTION

Public Instruction, including Night Schools and grants to certain educational institutions paid from "Miscellaneous Generally," which plays so important a part in our national development, has been assisted and encouraged by the expenditure during the past year of.....	$ 472,599 00
In the year 1896-7 the sum expended was.....	422,004 25
Or a difference of.....	$ 50,594 75

The principal items of the expenditure last year were the following —

Superior Education, proper.....		$ 80,000 00
High Schools and similar institutions.....		7,410 00
Public Schools		160,000 00
Schools in poor municipalities		13,000 00
Normal School		48,000 00
Inspection of Schools.....		36,000 00
Schools for Deaf and Dumb.....		13,000 00
Elementary Schools under 60 V., c. 3, including an additional grant to schools in poor municipalities of	$7,000 00	40,057 57
Night Schools		21,942 43
Schools of Arts and Manufactures.....		15,000 00

ADMITTED IMPROVEMENT

The *Montreal Gazette* of the 7th instant, in an editorial headed "Education in Quebec," admitted that the report of the Superintendent of Public Instruction, to use its own words, "*contains evidence that the position of education in this Province continues to improve slowly but surely.*"

The *Gazette* (as do all other of our opponents) seeks to withhold from this Government any credit for the progress which has been made. The following figures, however, will show that our critics are unfair, or are grossly ignorant of what has been done for Public Instruction since 1897, as compared with the period 1892 to 1897.

The amounts which were spent from the 1st July, 1892, to the 30th June, 1897, were :

1st July, 1892	to	30th June, 1893		$ 394,371 01
do 1893	do	1894		388,827 35
do 1894	do	1895		390,225 59
do 1895	do	1896		389,750 76
do 1896	do	1897		422,004 25
		Total		$1,985,178 96

Or an average per annum of..... 397,035 79

as compared with the expenditure from the 1st of July, 1897, to the 30th of June, 1900, under Mr. Marchand :—

1st July, 1897	to	30th June, 1898		$ 455,835 69
do 1898	do	1899		416,157 52
do 1899	do	1900		480,056 83
		Total		$1,352,050 04

Or an average per annum of..... 450 83 35
Being an excess per annum over the period of 1892-97 of..... 53 47 56
And as compared with the expenditure from the 1st *July*, 1900, *to 30th June*, 1903, *under the present administration* :

1st July, 1900	to	30th June, 1901		$ 470,789 68
do 1901	do	1902		472,684 79
do 1902	do	1903		472,599 00
		Total		$1,416,073 47

Or an average per annum of ..... $ 472,024 49
Being an annual increase over the period of 1892-97 of..... $ 74,988 70

ADMINISTRATION OF JUSTICE

Of the sum of..... $ 81,571 29

which was in excess of the estimated expenditure for the Administration of Justice, I may say that the contingencies of our Sheriffs for terms of our Criminal Courts, etc., absorbed the large sum of..... $ 71,984 28

AGRICULTURE

Agriculture has actively engaged the attention of the head of that Department, who in his wi e and progressive policy has required for the education and encouragement of our farmers in the adoption of the most modern and improved systems of farming, additional expenditure in the way of grants to Farmers' Clubs, for the establishment and improvement of dairy s hools, etc., amounting to the sum of..... .... $33,879.20

The following statistics will show *the relative annual expenditure* for this service from 1892 to 1897 :—

1st July 1892 to 30th June 1893				$ 121,995 57
do	1893	do	1894	168,786 36
do	1894	do	1895	204,636 62
do	1895	do	1896	173,912 98
do	1896	do	1897	235,795 75
Total				$ 900,127 28

Or an average per annum of..... $ 180,025 46

and as compared with the expenditure from the 1st July 1897 to the 30th June 1900 *under Mr. Marchand* :—

1st July 1897 to 30th June 1898				$ 202,476 97
do	1898	do	1899	182,334 72
do	1899	do	1900	198,909 60
Total				$ 583,721 29

Or *an average per annum* of..... $ 194,573 76

Being *an excess per annum* over the period of 1892-97 of..... $ 14,548 30

And as compared with the expenditures from the 1st of July 1900 to the 30th June 1903 *under the present administration* :—

1st July 1900 to 30th June 1901				$ 204,466 72
do	1901	do	1902	221,608 69
do	1902	do	1903	238,412 04
Total				$ 664,487 45

Or *an average per annum* of..... $ 221,4[illegible]5 81

Being an annual increase over the period of 1892-97 of..... $ 41,470 35

SUMMARY

AGRICULTURE, COLONIZATION, AND PUBLIC INSTRUCTION

Comparison of average yearly expenditure on these three services 1892-97, 1897-1900, and 1900-1903:

	1892-97	1897-1900	1900-1903
Agriculture	$180,025 46	$194,573 76	$2[illegible]1,495 81
Colonization	106,435 53	103,000 00	114,013 33
Public Instruction	397,035 79	450,683 35	472,024 49
Totals	$683,496 78	$748,257 11	$807,533 63

Showing a total annual expenditure for 1892-97 of	683,496 78
As compared with 1897-1900	748,257 11
Difference in favor of 1897 to 1900	64,760 33
And as compared with 1900-1903	807,533 63
Being an excess during this period over 1892-97 of	124,036 85

PRINCIPAL PAYMENTS LESS THAN ESTIMATES

Civil Government	$ 1,273 39
Lands, Mines and Fisheries	6,948 11

EXTRAORDINARY EXPENDITURE

The estimated extraordinary expenditure was		$ 50,000 00
The actual extraordinary expenditure was		65,443 77
In excess of estimate		15,443 77
of which there was expended on the Laval Normal School, Ste. Foy road, for the construction of annex	$ 13,250 68	
do Quebec (Ursulines)	2,193 09	
		$ 15,443 77

COMPARISON OF RECEIPTS AND EXPENDITURE OF 1902-1903 WITH 1901-1902

It will be interesting and instructive to compare the receipts of the year 1902-3 with its predecessor 1901-02.

ORDINARY RECEIPTS

The Ordinary Receipts for the year 1902-3 were	$ 4,699,772.87
The Ordinary Receipts for the year 1901-2 were	4,515,169.88
Being an increase in the Receipts of 1902-3 of.....	$ 184,602 99

CERTAIN SERVICES.

Certain of the services yielded more revenue in the year 1902-3 than they did in 1901-2, while others yielded less. The following are some of the services for the last year which were in EXCESS of those of 1901-2, viz :

Licenses	$ 11,372 89
Lunatic Asylums — Municipal contributions	10,736 26
Building and Jury Fund.....	63,506 47
Lands, Mines and Fisheries.....	164,274 71
Registration Stamps.....	7,657 51
Interest on price of sale, Q. M. O. & O. Ry...	6,169 08

Some of the services which were LESS than in 1901-2 are the following :

Municipalities, for maintenance of prisoners.....	$ 1,997 81
Direct Taxes on Commercial Corporations.....	5,356 90
Duties on Successions.....	68,943 18
Reformatory and Industrial Schools.....	3,646 32
Reimbursement, Railway Subsidies Fund	3,576 74

ORDINARY EXPENDITURE

The total Ordinary Expenditure for 1902-3 was.....	$4,530,616 88
do do 1901-2 was.....	4,470,332.15
An increase in the Ordinary Expenditure of 1902-3 of....	$ 60,284.73

INCREASES.

Some of the services, notably that of Agriculture of which details are given, on which the expenditure of 1902-3 was more than in 1901-2 were as follows :

Public Debt.....	$ 35,442 40
Lands, Mines and Fisheries.....	13,008 06
Agriculture	16,803 35

AGRICULTURE

Increases :

Farmers' Clubs, Agricultur 'n general, ' ic Improvement of Rural roads		$ 1,100 00
Horticultural Society, Quebec		250 00
Grants to Butter and Cheese Syndicates		14,000 00
Culture of Fruit Trees		500 00
' iprovement of rural roads		10,000 00
Dairy School at Ste. Hyacinthe, towards construction		8,000 00
Expositions		12,000 00
Reimbursement of interest ; Agricultural Association, Three Rivers		879 20
		$ 46,729 20

Decreases :

Agricultural Schools	$ 867 16	
Dairy Association, &c.	10,000 00	
Dairy Industry	2,000 00	
Provincial Agricultural Merit	200 00	
Poultry Association, Montreal	200 00	
La Métairie St. Joseph, St. Hyacinthe	1,000 00	
E. T. Agricultural Association	2,000 00	
Que. Exhibition Co	12 000 00	
Paris Exhibition	1,658 69	
		$ 29,925 85
		$ 16,803 35

Public Works and Building, ordinary	3,751 12
Miscellaneous services	8,845 55

DECREASES

The principal services on whic' enditure was less were :—

Legislation	$ 5,288 29
Administration of Justice (Including Police etc.)	12'456 78

EXTRAORDINARY EXPENDITURE

The Extraordinary Expenditure on Public Works and Buildings during the year 1902-03 has been ....$ 45,098 60
more than in 1901-02, as follows:

INCREASES:

Laval Normal School, St. Foy Road, Construction of Annex..... .....$		18,250 68
Construction of a building in Montreal for Registrars' and other public offices.....		20,000 00
Laval Normal School (Ursulines) Quebec...		2,193 09
New Court House, Sherbrooke.....		15,000 00
	$	55,443 77

DECREASES:

Hot water heating apparatus Gaol, Three Rivers.....$	3,820 00	
Hot water heating apparatus Court House and Gaol, Saguenay.....	2,424 08	
Vault, Court House and Gaol, Kamouraska.....	950 00	
Court House and Gaol, district of Ottawa, Sundry Accounts.....	3,151 09	
	$	10,345 17
	$	45,098 60

The payments on account of Railway subsidies and Q. M. O. & O. Railway during 1902-03 have been $35,469.27 less than in 1901-02.

The payments on account of Quebec Bridge subsidy have been the same.

The payment on account of the Bridge over the River Ottawa, at Portage du Fort, was..... ..... $5,000 00

The balance of Railway subsidies authorized by Acts of the Legislature but not earned at 30th June, 1903, was..... $594,679 08

The balance of the Quebec Bridge subsidy authorized by Act of the Legislature but not earned at 30th June, 1903, was..... $160,000 00

ESTIMATES FOR THE YEAR

1904–05

I have carefully studied the estimates for the various Departments, and, after consultation with my colleagues, have made the following estimates of receipts and expenditure for the year ending the 30th June, 1905.

Total Ordinary Receipts	$ 4,747,394 72
Total Ordinary and Extraordinary Expenditure (less Railway Subsidies)	4,733,852 77
Leaving a surplus of	$ 13,541 95
The Railway Subsidies are estimated at	$ 74,746 41

STATEMENT E.

ESTIMATED RECEIPTS, 1904-1905.

Dominion of Canada:		
Subsidy under B. N. A. Act	$959,252 80	
Interest on Trust Funds	75,781 24	
Special Subsidy, 47 Vict., chap. 4	127,460 68	
Interest on Railway Subsidies under 47 Vict., chap. 8	119,700 00	
		$1,282,194 72
Interest		
Interest on price of sale Q. M. O. & O. Railway	320,000 00	
Interest on Loans and Deposits	11,000 00	
		331,000 00
Lands, Mines & Fisheries		1,380,000 00
Administration of Justice:		
Law Stamps	195,000 00	
Law Fees	10,000 00	
Building and Jury Fund	50,000 00	
Maintenance of Prisoners	11,000 00	
Gaol Guards, Montreal and Quebec	4,000 00	
Montreal Gaol	2,000 00	
Other Gaols—Prisoners' earnings	200 00	
Montreal Court House	4,000 00	
High Constables' Fees, Quebec	600 00	
		256,800 00
Registration Stamps (including fees of salaried Registrars)		70,000 00
Licenses		700,000 00
Direct Taxes on Commercial Corporations		260,000 00
Duties on Successions		280,000 00
Percentage on Fees of Public Officers		6,500 00
Percentage on renewals of Mortgages		100 00
Maintenance of Insane		90,000 00
Maintenance of Inmates of Industrial and Reformatory Schools		25,000 00
Legislation		15,000 00
Official Gazette		18,000 00
Rents of Public Buildings		1,400 00
Casual Revenue		9,000 00
Provincial Insurance Companies' Contributions		400 00
Contributions to Pensions, Civil Service		4,500 00
Premium, Discount and Exchange		2,500 00
Railway Subsidies Tax		15,000 00
		$ 4,747,394 72

STATEMENT F.

ESTIMATED EXPENDITURE, 1904-1905.

		$ cts
Public Debt		$1,609,475 65
Legislation		216,340 70
Civil Government		278,188 50
Administration of Justice		630,174 30
Public Instruction		483,460 00
Colonization		140,500 00
Public Works (Ordinary)	$122 204 69	
do (Extraordinary)	52,023 18	
		174,227 87
Agriculture		285,350 00
Lands, Mines & Fisheries		215,300 00
Lunatic Asylums		365,825 00
Reformatory and Industrial Schools		60,000 00
Charities		45,210 75
Charges on Revenue		126,000 00
Miscellaneous Services		103,800 00
		4,733,852 77
Railway Subsidies		74,746 41

CASH OF EXCHEQUER [illegible]

Cash [illegible]		159,632 92
From which have been paid outstanding warrants at [illegible] June, 1902...		93,369 28
		$ 66,263 64

The Receipts [illegible] were :—

Ordinary [illegible]	772 [illegible]	
Trust [illegible]	[illegible]	
Sales [illegible]	[illegible]	
Property [illegible]	34 [illegible] 15	
Balance [illegible]	[illegible]	
	[illegible]	

The Payments [illegible] were [illegible] sidies, Q. M. [illegible] tion and [illegible] Company) [illegible] June, 1903 were :—

Ordinary Expenditure [illegible]		
Extraordinary [illegible]	[illegible] 77	
Trust [illegible]	[illegible]	
Payment to Montreal [illegible]	[illegible]	
	[illegible]	
Excess of Receipts [illegible]		[illegible]
		[illegible]

[illegible] sidies, Q. M. [illegible]
subsidy to [illegible]
July, 1902 [illegible]

Quebec Bridge [illegible]	[illegible]	
Bridge [illegible]	[illegible]	
Q. M. O. & O. [illegible]	[illegible]	
		$ 38,500 00

Balance of cash on 30th June, 1903		$ 51,491 74
Viz:—		
Cash in Banks.....	$ 197,114 26	
Less Outstanding Warrants included in above payments.....	145,622 52	
		$ 51,491 74

STATEMENT G.

Approximate statement of Liabilities and Assets of the Province of Quebec at 30th June, 1903.

LIABILITIES.

Funded Debt outstanding as existing before conversion	$33,114,217 33	
Increase of capital by conversion	1,743,526 83	
		$34,857,744 16
Temporary Loan		700,000 00
Trust Deposits		368,[illegible] 95
Outstanding Warrants		145,622 52
Railway money subsidies authorized but not yet earned	$136,195 50	
Railway land subsidies converted into money subsidies at 52½ cents per acre, authorized but not yet earned	458,483 58	
		594,679 08
Grant to bridge over the River St Lawrence at Quebec		160,000 00
Loss on Exchange Bank deposit		25,218 75
Quebec Court House bonds		143,200 00
		$36,995,449 46

ASSETS.

Part of price of Q. M. O. & O. Ry., deposited in Banks	$410,190 00		
do do invested in $29,000 Province of Quebec bonds, loan of 1878, bought at 109%	31,610 00		
do do invested in Quebec Court House bonds	143,200 00		
do do invested in City of Quebec bonds	15,000 00		
Balance of price Q. M. O. & O. Ry., unpaid	7,000,000 00		
		7,600,000 00	
Province of Quebec 3% Inscribed Stock		132,634 77	
Railway grant under Dominion Act 47 Vic., Cap. 8		2,394,000 00	
Cash in Banks		197,114 26	
Cost of Jacques Cartier School, Montreal, to be repaid from sale of property		5,391 11	
Claim *in re* late Honble. Thomas McGreevy		100,000 00	
Advances to various parties		132,437 29	
Quebec Court House tax, under 45 Vic., Cap. 26, and 48 Vic., Cap. 16.		143,200 00	
			10,704,777 43
Excess of Liabilities over Assets at 30th June, 1903.			$26,290,672 03

The following changes have been made in the Liabilities and Assets during the year by the payments and receipts :

INCREASE OF LIABILITIES :

Funded Debt by Conversion	$ 4,729 59	
Outstanding Warrants	52,253 24	
	$ 56,982 83	

DECREASE OF LIABILITIES :

Funded Debt by Redemption	$ 81,857 33		
Trust Deposits	71,802 89		
Grant to Bridge over St. Lawrence	30,000 00		
Grant to Bridge over River Ottawa	5,000 00		
Quebec Court House Bonds	5,000 00		
		$ 193,660 22	
Net decrease of Liabilities during the year			$ 136,677 39

INCREASE OF ASSETS :

3 per cent Inscribed Stock (Sinking Fund)	$ 26,491 82	
Cash in Banks	57,481 34	
	$ 83,973 16	

DECREASE OF ASSETS :

Advances to various parties	$ 26,895 60		
Quebec Court House Tax	5,000 00		
		$ 31,895 60	
Net increase of Assets during the year			$ 52,077 56
Decrease of Excess of Liabilities during the year			$ 188,754 95

The Excess of Liabilities over Assets at 30th June, 1902, was	$ 26,479,426 98
The Excess of Liabilities over Assets at 30th June, 1903, was	26,290,672 03
	$ 188,754 95

The Increase of Capital of Funded Debt by Conversion during the year was			4,729 59
Decrease of Liabilities exclusive of Increase of Debt by Conversion		$	193,484 54
Accounted for as follows:			
Surplus of Ordinary Revenue over Ordinary and Extraordinary Expenditure			103,712 22
Proceeds of Sales of Exhibition Grounds, Montreal	$ 7,019 34		
Property corner Grande Allée and Claire Fontaine Streets	3,124 15		
Balance Loan Beauport Asylum	7,500 00		
	$ 17,643 49		
Less:			
Payments to Montreal Exposition Company	5,824 72		
			11,818 77
Amount of Bonds of Loan of 1880, redeemed during year			81,857 33
Amount of Sinking Fund invested during year			26,491 82
		$	223,880.14
Deduct:			
Amount paid on account of construction of Q. M. O. & O. Railway	$ 3,500.00		
Advances to various parties	26,895.60		30,395 60
			$198,484 54

FUNDED DEBT

At 30th June, 1902, the Funded Debt outstanding was		$34,934,871 90
At 30th June, 1903, " "		34,857,744 16
Reduction of Funded Debt	$	77,127 74
Accounted for as follows:		
Bonds of Loan of 1880 redeemed	$ 81,857 33	
Bonds of various loans redeemed in conversion of debt	28,713 33	
	$110,570 66	

Less 3 per cent Inscribed Stock issued in Conversion	$ 33,442 92	$ 77,127 74

The Funded Debt at 30th June, 1903, consisting of the Bonds and Stock outstanding of the various loans of the Province was	$34,857,744 16
Against which the Sinking Fund invested amounted to	10,126,634 77
Leaving the balance of Funded Debt unprovided for	$24,731,109 39

UNFUNDED DEBT

At 30th June, 1903, the Unfunded Debt consisted of:

Temporary Loan		$ 700,000 00
Trust Deposits		368,984 95
Outstanding Warrants		145,622 52
Railway Subsidies granted, but not earned		594,679 08
Grant to Bridge over the St. Lawrence		100,000 00
Loss on Exchange Bank Deposit		25,218 75
		$1,994,505 30
Against which there are:		
Cash in Banks	$197,114 26	
Claims against individuals and corporations for loans and advances	237,828 40	
		434,942 66
Leaving a balance of Unfunded Debt to be provided for. which is $85,135.39 less than last year.		$ 1,559,562 64

FUNDED AND UNFUNDED DEBT.

Amount of Funded Debt unprovided for	$24,731,109 39
Amount of Unfunded Debt unprovided for	1,559,562 64
Total Debt unprovided for	$26,290,672 03
The reduction of the Unfunded Debt by is explained as follows:	$ 85,135 39

Bridge Subsidies decreased	$ 35,000 00
Trust deposits decreased	71,802 89
	$106,802 89

Outstanding Warrants increased	$ 52,258 24	
	$ 54,549 65	
Cash in Banks increased	57,481 34	
	$112,030 99	
Advances to various parties decreased	26,895 60	
		$ 85,135 39

CONVERSION OF DEBT UNDER 60 VIC., CAP. 2

The following Bonds have been converted during the year through the agency of the Bank of Montreal, London :

Loan of 1882 (London)		$ 14,113 33
" 1888		14,600 00
		$ 28,713 33
The premium paid on these Bonds amounted to		3,057 77
		$ 31,771 10
The discount at 5 per cent on the inscribed stock issued amounted to		1,671 82
Amount of 3 per cent inscribed stock issued		$ 33,442 92
The principal of the debt was increased by conversion during the year by		4,729 59
The total amount of Bonds converted up to 30th June, 1903, is		7,492,534 65
For which has been issued 3 per cent inscribed stock for		9,236,061 48
Increase of principal of debt by conversion		$1,743,526 83
The annual interest on the $7,492,534 65 of converted bonds was		$ 335,728 85
The annual interest on the $9,236,061.48 of inscribed stock is	$ 277,081 80	
The annual sinking fund required to redeem $1,743,526.83, increase of principal of debt, by the 1st April, 1937, is	23,192 23	
		300,274 03

Annual saving by conversion until the date when the original bonds will have commenced to mature ..... **$ 85,454 82**

Against these annual savings is the commutation of stamp duties on the $9,236,061.48, amounting to $57,881.21.

STATEMENT of Funded and Unfunded Debt of the Province of Quebec from 30th June, 1897, to 30th June, 1903.

30th June, 1897.

Funded Debt as existing before conversion	$ 33,571,002 67
Increase of capital by conversion	625,651 41
	$ 34,196,654 08
Sinking Funds invested	9,994,000 00
Net Funded Debt	$ 24,202,654 08
Unfunded Debt	1,357,213 82
Total Net Funded and Unfunded Debt	$ 25,559,867 90

30th June, 1898

Funded Debt as existing before conversion	$ 33,483,694 67
Increase of capital by conversion	800,146 86
	$ 34,283,841 53
Sinking Funds invested	10,004,677 78
Net Funded Debt	$ 24,279,163 75
Unfunded Debt	1,166,706 46
Total Net Funded and Unfunded Debt	$ 25,445,870 21

30th June, 1899.

Funded Debt as existing before conversion	$ 33,413,420 00
Increase of capital by conversion	1,715,427 72
	$ 35,128,847 72
Sinking Funds invested	10,025,747 95
Net Funded Debt	**$ 25,103,099 77**

Unfunded Debt	$ 1,063,018 1[illegible]
Total Net Funded and Unfunded Debt	$ 26,166,1[illegible] 92

30th June, 1900.

Funded Debt as existing before conversion	$33,345,870 67
Increase of capital by conversion	1,726,156 7[illegible]
	$35,072,027 4[illegible]
Sinking Funds invested	10,049,646 8[illegible]
Net Funded Debt	$25,022,[illegible]81 6[illegible]
Unfunded Debt	1,048,366 6[illegible]
Total Net Funded and Unfunded Debt	$26,070,747 10

30th June, 1901.

Funded Debt as existing before conversion	$3[illegible],270,924 00
Increase of capital by conversion	1,736,974 13
	$35,007,898 13
Sinking Funds invested	10,074,453 87
Net Funded Debt	$24,933,444 26
Unfunded Debt	1,138,974 74
Total Net Funded and Unfunded Debt	$26,072,419 00

30th June, 1902.

Funded Debt as existing before conversion	$33,196,074 66
Increase of capital by conversion	1,738,797 24
	$34,934,871 90
Sinking Funds invested	10,100,142 95
Net Funded Debt	$24,834,728 95
Unfunded Debt	1,140,787 84
Total Net Funded and Unfunded Debt	$25,975,516 79

30th June, 1903.

Funded Debt as existing before conversion	$33,114,217 33
Increase of capital by conversion	1,743,526 83
	$34,857,744 16
Sinking Funds invested	10,126,634 77
Net Funded Debt	$24,731,109 39
Unfunded Debt	1,068,984 95
Total Net Funded and Unfunded Debt	$25,806,094 34

FUNDED DEBT 1903, AS COMPARED WITH 1897

Funded Debt outstanding at 30th June, 1897, as existing before conversion	$ 33,571,002 67
Increase of Debt by conversion to 30th June, 1903	1,743,526 83
	$ 35,314,529 50
Less Bonds of Loan of 1880 paid	456,785 34
Funded Debt outstanding at 30th June, 1903	$ 34,857,744 16

INTEREST ON TRUST FUNDS.

The Dominion Government has possessed under the Arbitration Award of the 3rd September, 1870, the following funds in trust belonging to the Province of Quebec :—

Lower Canada, Superior Education Fund	$ 347,851 53
Normal School Building Fund	61,761 84
Superannuated Teachers' Fund	2,700 88
	$ 412,314 25

Under the arbitration award of the 2nd November, 1893, it was declared :—That the Trust Funds shall be treated as intact and unimpaired, and interest thereon at the rate of 5 per cent per annum carried half-yearly into the separate accounts of Ontario and Quebec.

The Province of Quebec has always therefore received interest at the rate of 5 per cent on these Trust Funds.

The Province owes the Dominion the sum of $1,096,325.11 on which it has paid interest at the rate of 4 per cent.

On the 29th December, 1903, the Honorable the Finance Minister of the Dominion wrote me a letter from which the following is an extract:—

"It has been decided to pay on the 1st January, 1904, the interest on these Funds (that is the above Trust funds) at the rate heretofore paid, namely 5 per cent. After that date interest at the rate of 4 per cent will be paid until further notice, or until the principal of the funds is paid to Quebec in full. If this arrangement is not satisfactory to your Government I shall be pleased to receive notice to that effect, whereupon arrangements will be made to pay off the principal sum at an early date."

In answer to this letter, I wrote the Minister of Finance to say that this Government had always held that the Dominion had neither the power to reduce the rate of interest on the Trust Funds, which had been agreed upon at Confederation, nor to pay off the principal by carrying the amount into the account between this Province and the Dominion, without our consent, and that we would expect the Dominion Government to continue to pay interest on these Funds at the rate of 5 per cent.

I certainly do not intend to submit to a reduction in the interest upon these Funds, or to the capital being transferred to the credit of our account with the Dominion Government without having the matter submitted to the proper tribunal.

The Province of Ontario is in exactly the same position as we are with respect to this question, and has received a similar communication from the Dominion.

YULE BRIDGE

The Dominion Government was condemned to pay the heirs of the Yule estate of Chambly the sum of $39,717 16 under a decision of the Exchequer Court of Canada. This decision was based upon a claim which had its origin prior to Confederation. The Dominion Government held that it was a debt of the old Province of Canada, and that therefore the Provinces of Ontario and Quebec should refund this amount in the proportions established by the decision of the arbitrators relating to sums chargeable to the old Province of Canada.

In the letter of the 29th December, 1903, to which I have referred, the Minister of Finance of the Dominion notified me that he had charged the Province of Quebec, therefore, with the sum of $22,040.91 as its portion of this claim, and interest, and had retained it out of our subsidy.

On the 29th January last I protested against such deduction from our subsidy, as being:

(1) Contrary to the provisions of section 118 of the British North America Act, which provides that:

"Subsidies shall be paid half-yearly in advance to each Province, but the Government of Canada shall deduct from such grants as against any Province all sums chargeable as interest on the Public Debt of that Province in excess of the several amounts stipulated in this Act," and

(2). Because it had not been determined that the Province of Quebec was liable for any portion of the amount which had been paid to the Yule heirs, or if liable jointly with Ontario as representing the late Province of Canada, what proportion it was actually liable for.

This is not a new matter—it has been in dispute for years—but this is the first time that the Dominion has assumed the arbitrary course of:—

(1). Fixing the proportion which was due by the Province of Quebec, and

(2). Deducting the same from the subsidies which were due by it to this Province.

This Province will not submit to this charge without a vigorous protest, and an adverse decision by a competent tribunal.

I hope to have both these matters decided at the earliest date possible.

ARBITRATION

Owing to the lamented death of the late Treasurer nothing was done during the past year towards bringing the arbitration between the Dominion, Ontario, and Quebec, to a conclusion.

The only accounts which remain to be decided are those relating to the Common School Fund.

My Department is now in communication with the Dominion and Ontario, and I hope to have the arbitration proceedings commenced as soon as possible after prorogation, and concluded before the next session.

DOMINION SUBSIDIES

This Government is still sanguine that the Dominion Government will, at an early date, readjust the subsidies which are payable to the Provinces, and that we may therefore have this item of our revenue substantially increased.

The late Treasurer, in one of his financial statements, entered fully into the question, and it is therefore unnecessary for me, at this time, to more than express my unqualified approval of what has been done in this direction, and the hope for an early solution.

THE CURRENT YEAR.

The statement of receipts and expenditure for the current year up to the 31st of March last has been laid before the House.

Compared with the receipts and expenditure for the corresponding period of last year it is more favorable by $34,041 41

I have, therefore, every reason to believe that the financial statement for the full year will be a very satisfactory one.

CONCLUSION.

Mr. Speaker, I wish to thank the House for the very great consideration which it has shown me during this somewhat lengthy statement of the financial affairs of the Province.

I assure you that my labors in this connection have been most interesting to me, and I trust that the particulars which I have been enabled to give to the House have interested the members present.

An examination of the reports of the various Ministers, and of the statistics which I have given, make it apparent to everyone, that the charge which has been made againt this Government, that it has neglected the most important Departments of Government—that it has done nothing for the advancement of Agriculture, Colonization, or Public Instruction—is wholly without foundation, and that, with the limited means at our disposal, the most satisfactory results have been achieved.

In the name of the Government of the Province, therefore, I have no hesitation in saying that it has fulfilled the pledges made by it in the elections of 1900, and repeatedly renewed since that time, and that no reason whatever can exist for transferring the reins of Government to the same leaders who administered the affairs of the Province from 1892 to 1897.

Mr. Speaker, I now have the honor to move that you leave the chair, and that this House do go into Committee of Supply.

APPENDIX

FINANCIAL STATEMENTS

STATEMENT A.

STATEMENT OF PAYMENTS (not including Railway and Bridge Subsidies, Repayment of Railway Guarantee Deposits and Bonds redeemed in Conversion of Debt), and of RECEIPTS (not including proceeds of Inscribed Stock issued in Conversion of Debt): for the five years ending 30th June 1903.

Year.	Payments.	Receipts.	Excess of Payments	Excess of Receipts.
1898-99	$4,234,410.81	$4,249,589.99	.....	$15,179.18
1899-00	4,465,833.24	4,502,445.83	.....	36,612.59
1900-01	4,561,656.73	4,745,190.47	.....	183,533.74
1901-02	4,573,770.66	4,601,029.81	.....	27,259.15
1902-03	4,702,629.88	4,746,357.98	.....	43,728.10

STATEMENT B.

1898-99.

PAYMENTS:

Ordinary Expenditure (including $70,274.67 for Bonds of Loan of 1880, redeemed)...	$4,189,964 10	
Extraordinary Expenditure (Public Buildings)	11,059 11	
		$4,201,023 21
Payments on Trust Funds.....		33,387 60
		$4,234,410 81

RECEIPTS:

Ordinary Revenue	$4,223,843 26	
Trust Fund Deposits.....	25,746 73	
		4,249,589 99
Excess of Receipts.....		$ 15,179 18

1899-00.

PAYMENTS:

Ordinary Expenditure (including $67,549 33 for Bonds of Loan of 1880, redeemed)...	$4,428,385 72	
Extraordinary Expenditure (Public Buildings)	5,000 00	
		$4,433,385 72
Payments on Trust Funds.....		32,447 52
		$4,465,833 24

RECEIPTS:

Ordinary Revenue.	$4,451,578 29	
Trust Fund Deposits.....	50,867 54	
		4,502,445 83
Excess of Receipts.....		$ 36,612 59

1900-01.

PAYMENTS :

Ordinary Expenditure (including $74,946 67 for Bonds of Loan of 1880, redeemed)...	$4,492,092 44	
Extraordinary Expenditure (Public Buildings)	24,165 18	
		$4,516,257 62
Expenses, sales of property.....		296 40
Payments on Trust Funds.....		45,102 71
		$4,561,656 73

RECEIPTS :

Ordinary Revenue.....	$4,563,432 18	
Property, corner of Grande Allée and Claire Fontaine Streets, Quebec, price of part sold	15,000.00	
Exhibition Grounds, Montreal, on account of sales	31,046.89	
Trust Fund Deposits.....	135,711 40	
		4,745,190 47
Excess of Receipts.....		$ 183,533 74

1901-02.

PAYMENTS :

Ordinary Expenditure (including $74,849 34 for Bonds of Loan of 1880, redeemed)...	$4,470,332 15	
Extraordinary Expenditure (Public Buildings)	20,345 17	
		$4,490,677 32
Montreal Exposition Company, from proceeds of sales of Exhibition Grounds.....		18,004 29
Expenses, sales of property.....		266 61
Payments on Trust Funds.....		64,822,44
		$4,573,770 66

RECEIPTS :

Ordinary Revenue.....	$4,515,169 88	
Exhibition Grounds, Montreal, on account of sales	19,224 39	
Trust Fund Deposits.....	66,635 54	
		4,601,029 81
Excess of Receipts		$ 27,259 15

1902-03.

PAYMENTS :

Ordinary Expenditure (including $81,857 33 for Bonds of Loan of 1880 redeemed)...	$4,530,616 88	
Extraordinary Expenditure (Public Buildings)	65,443 77	
		$4,596,060 65
Montreal Exposition Company, from proceeds of sales of Exhibition Grounds.....		5,824 72
Payments on Trust Funds.....		100,744 51
		$4,702,629 88

RECEIPTS :

Ordinary Revenue.....	$4,699,772 87	
Exhibition Grounds, Montreal, on account of sales.....	7,019 34	
Property, corner of Grande Allée and Claire Fontaine streets, Quebec, price of part sold	3,124 15	
Balance of loan to the Beauport Lunatic Asylum, of the 17th February, 1875.....	7,500 00	
Trust Fund Deposits.....	28,941 62	
		4,746,357 98
Excess of Receipts.....		$ 43,728 10

STATEMENT C.

RECEIPTS

	1898-99		1899-00		1900-01		1901-02		1902-03	
	$	c.	$	c.	$	c.	$	c.	$	c.
Dominion of Canada	1,320,137	28	1,278,991	82	1,278,987	29	1,279,105	57	1,281,603	17
Lands, Mines and Fisheries	1,047,371	60	1,311,333	21	1,471,003	86	1,291,111	75	1,455,386	46
Law Stamps	195,570	50	194,110	10	187,723	40	191,146	90	195,045	50
Registration Stamps	68,850	95	68,003	49	64,445	90	65,632	69	73,290	20
Building and Jury Fund	30,612	13	20,232	42	21,635	34	20,231	26	92,737	73
Law Fees	14,980	79	20,533	46	15,719	58	9,915	21	10,524	67
Municipalities for maintenance of prisoners	9,166	43	8,546	70	11,789	01	12,799	27	10,801	46
Montreal Court House	5,938	96	7,075	99	4,620	58	3,964	67	3,990	98
Montreal Gaol	1,208	85	10	81	76	87	865	24	2,186	39
Gaol Guards, Montreal and Quebec	4,000	00	4,000	00	4,000	00	4,000	00	4,000	00
Prisoners' earnings, Quebec Gaol	109	01	150	00	71	20	473	11	146	81
Fines, Justice	209	50	134	85	181	50	1,289	25	.....	
High Constable's fees, Quebec	530	98	535	46	404	94	597	22	675	95
Ottawa District Court House Fund	263	83	24	05	.....		.....		.....	
Licenses	613,717	66	593,440	45	661,968	23	681,229	18	692,602	07
Direct Taxes on Commercial Corporations	172,626	04	186,598	39	214,157	63	231,695	13	226,338	23
Tax on transfers of property (Arrears)	277	10	139	80	137	10	106	30	153	20
Direct Taxes on certain persons do	686	43	16	00	9	50	.....		.....	
Manufacturing and Trading Licenses do	7,347	64	1,383	09	372	00	110	00	.....	
Duties on Successions	287,995	63	270,865	58	163,511	38	222,763	73	153,820	55
Percentage on fees of Public Officers	5,847	69	5,291	87	4,696	41	6,299	81	6,710	80
Percentage on renewals of Mortgages	106	76	151	96	115	27	134	25	79	16
Legislation	9,349	13	12,572	63	14,084	67	14,682	45	15,538	95
Lunatic Asylums, Municipal Contributions	44,722	66	77,196	25	69,135	53	75,139	63	85,675	89
do Paying Patients	2,149	61	2,517	62	2,202	98	4,484	85	3,810	69
Reformatory and Industrial Schools	19,077	14	23,176	22	23,595	03	24,539	68	20,893	36
Quebec Official Gazette	18,544	56	17,879	89	16,635	91	18,246	74	18,244	94
Casual Revenue	8,367	44	7,782	25	11,138	02	9,599	17	9,219	41
Civil Service Contributions for Pensions	5,322	72	5,368	15	5,188	69	5,057	58	4,964	68
Provincial Insurance Companies, towards expenses of inspection	429	35	546	81	472	01	637	06	447	45
Public Works and Buildings, Rents, &c	1,062	60	1,783	47	764	60	1,697	22	1,041	69
Railway Inspection Fees	108	00	108	00	228	00	60	00	.....	
Interest on Loans and Deposits	18,847	58	18,836	24	10,557	03	13,600	56	12,447	95

Premium, Discount and Exchange	4,023 86	2,511 65	3,358 71	2,917 61	2,824 69
Interest on price of sale, Q. M. O. & O. Ry	300,827 85	300,084 18	300,117 93	300,056 59	306,216 67
Quebec Fire Loan	.....	.....	.....	50 00	.....
Reimbursement Railway Subsidies Fund	2,734 70	644 83	326 08	11,930 20	8,353 46
	4,223,843 26	4,451,578 29	4,563,432 18	4,515,169 88	4,699,772 57
Property, corner of Grande Allée and Claire Fontaine Streets, Quebec, price of parts sold	.....	.....	15,000 00	.....	3,424 15
Exhibition Grounds, Montreal, on account of [illegible]	.....	.....	31,046 89	19,224 39	7,019 34
Balance of Loan to the Beauport Lunatic Asylum of 17th Feby, 1875	.....	.....	.....	.....	7,500 00
Trust Funds, viz.:					
Teachers Pension Fund	949 40	710 71	1,333 38	1,050 71	4,872 84
City of Hull Sinking Fund	179 64	184 10	189 65	195 92	201 32
Pointe à Gatineau Sinking Fund	140 00	140 00	150 00	130 00	204 59
Heirs and Estate F. E. Roy	866 50	880 80	891 41	905 80	921 05
Marriage License Fund	6,714 00	6,804 00	7,416 00	7,668 25	7,812 00
Security Deposits Public Officers	900 00	2,120 82	1,566 60	1,447 76	1,000 00
Deposits under 59 Vict., cap. 34	5,000 00	15,000 00	.....	5,000 00	.....
do do 61 Vict., cap. 39	10,000 00	.....	.....	.....	.....
Hull Court House Debentures Sinking Fund	997 19	1,027 11	1,057 92	1,089 66	1,122 35
Quebec Court House Tax	.....	24,000 00	14,612 90	17,473 84	12,527 47
Deposit under 63 Vict., ch. 44	.....	.....	20,000 00	20,000 00	.....
Special Deposits: Fires at Spencer-Wood	.....	.....	51 00	6,641 60	.....
Building and Jury Fund. District of Ottawa: Insurance on Court House and Gaol and contents	.....	.....	38,442 54	.....	.....
Town of Salaberry de Valleyfield: Deposit under 1 Ed. VII, ch. 4.	.....	.....	50,000 00	.....	.....
Deposit under 63 Vict., ch. 91	.....	.....	.....	5,000 00	.....
Special Deposit: Fire at Chicoutimi Court House	.....	.....	.....	32 00	.....
do Fire at Assistant Gaoler's House, Quebec	.....	.....	.....	.....	20 00
Deposit re refusal of license to Jean Fredette, St. Gervais	.....	.....	.....	.....	200 00
Proceeds of Inscribed Stock issued in conversion of Debt	4,249,589 99	4,502,445 83	4,745,190 47	4,601,029 81	4,746,357 98
Cash on hand at 1st July of each year	4,389,322 30	67,152 07	68,068 12	10,978 66	31,771 10
	490,663 59	201,970 05	160,425 05	295,328 70	139,632 92
	9,129,575 88	4,771,567 95	4,973,683 64	4,907,337 17	4,917,762 00

STATEMENT D.

PAYMENTS.

	1898-99	1899-00	1900-01	1901-02	1902-03
	$ c	$ c.	$ c	$ c.	$ c
Public Debt	1,558,323 03	1,538,059 20	1,549,275 94	1,542,140 79	1,577,583 19
Legislation	190,027 22	199,563 09	235,596 09	247,720 63	202,432 34
Civil Government	269,650 70	285,872 15	278,307 42	271,891 19	272,337 61
Administration of Justice	544,831 09	560 742 37	569,911 12	618,315 23	605,858 45
Reformatory and Industrial Schools	64,300 00	65,500 00	60,000 00	60,000 00	60,000 00
Public Instruction (including Night Schools)	412,657 52	476,281 83	468,089 68	469,184 79	468,074 00
Agriculture	176,418 26	194,659 97	200,217 43	217,358 69	234,162 04
Colonization	79,000 00	124,000 00	119,000 00	112,540 00	110,500 00
Immigration	4,250 00	4,249 63	4,249 59	4,250 00	4,250 00
Public Works and Buildings:					
Ordinary	83,968 98	92,209 15	123,390 61	99,348 09	103,099 21
Extraordinary	11,059.11	5,000 00	24,165 18	20,345 17	65,443 77
Lunatic Asylums	343,825 00	349,225 00	353,825 00	353,825 00	353,825 00
Charities	44,570 75	44,570 75	44,570 75	45,210 75	45,210 75
Lands, Mines & Fisheries	178,811 41	210,549 13	208,815 16	204,043 83	217,051 89
Charges on Revenue (including payments by Revenue Officers out of collections)	129,742 05	138,982 36	132,655 41	139,946 37	142,739 06
Miscellaneous	108,265 09	143,920 89	144,188 54	124,556 79	133,402 34
Reimbursement Railway Subsidies Fund. Refund	1,323 00	.....	.....	.....	.....
	4,201,023 21	4,433,385 72	4,516,257 62	4,490,677 32	4,596,060 65
Montreal Exposition Company, from proceeds of sales of Exhibition Grounds	.....	.....	.....	18,004 29	5,824 72
Expenses, sales of property	.....	.....	296 40	266 61	.....
Trust Funds	33,387 60	32,447 52	45,102 71	64,822 44	100,744 51
	4,234,410 81	4,465,833 24	4,561,656 73	4,573,770 66	4,702,629 88
Repayment of Railway Guarantee Deposits	99,630 37	33,072 12	.....	.....	.....
	4,334,041 18	4,498,905 36	4,561,656 73	4,573,770 66	4,702,629 88

Railway Subsidies and Q. M. O. & O. Railway	100,079 17	90,276 22	93,318 10	38,969 27	8,500 00
Quebec Bridge Subsidy	....	....	30,000 00	30,000 00	30,000 00
	4,434,120 35	4,589,181 58	4,684,974 83	4,642,739 93	4,741,929 88
Redemption of debt by conversion:					
Part of Loan 1874 and premium	915,420 48	2,599 47	....	....	....
do do 1876 do	981,409 77	....	....	....	....
do do 1878 do	178,491 23	....	....	....	....
do do 1880 do	913,373 98	34,059 87	....	....	....
do do 1882 do	771,470 89	30,492 73	33,603 36	7,783 75	15,960 76
do do 1888 do	315,494 00	....	29,116 78	528 47	15,810 34
do do 1894 do	313,661 95	....	5,347 98	2,666 44	....
	8,823,442 65	4,656,333 65	4,753,042 95	4,753,718 59	4,772,900 98
Add: Payment of Warrants outstanding at the beginning of each year	191,639 36	87,476 18	132,666 93	207,354 94	93,369 28
	9,015,082 01	4,743,809 83	4,885,709 88	4,861,073 53	4,866,270 26
Deduct: Unpaid Warrants outstanding at the end of each year	87,476 18	132,666 93	207,354 94	93,369 28	145,622 52
	8,927,605 83	4,611,142 90	4,678,354 94	4,767,704 25	4,720,647 74

STATEMENT E.

ESTIMATED RECEIPTS, 1904-1905.

Dominion of Canada:		
Subsidy under B. N. A. Act	$950,232 80	
Interest on Trust Funds	75,781 24	
Special Subsidy, 47 Vict., chap. 4	127,460 68	
Interest on Railway Subsidies under 47 Vict., chap. 8	119,700 00	
		$1,282,194 72
Interest:		
Interest on price of sale Q. M. O. & O. Railway	320,000 00	
Interest on Loans and Deposits	11,000 00	
		331,000 00
Lands, Mines & Fisheries		1,380,000 00
Administration of Justice:		
Law Stamps	195,000 00	
Law Fees	10,000 00	
Building and Jury Fund	50,000 00	
Maintenance of Prisoners	11,000 00	
Gaol Guards, Montreal and Quebec	4,000 00	
Montreal Gaol	2,000 00	
Other Gaols—Prisoners' earnings	200 00	
Montreal Court House	4,000 00	
High Constable's Fees, Quebec	600 00	
		256,800 00
Registration Stamps (including fees of salaried Registrars)		70,000 00
Licenses		700,000 00
Direct Taxes on Commercial Corporations		260,000 00
Duties on Successions		280,000 00
Percentage on Fees of Public Officers		6,500 00
Percentage on renewals of Mortgages		100 00
Maintenance of Insane		90,000 00
Maintenance of Inmates of Industrial and Reformatory Schools		25,000 00
Legislation		15,000 00
Official Gazette		18,000 00
Rents of Public Buildings		1,400 00
Casual Revenue		9,000 00
Provincial Insurance Companies—Contributions		400 00
Contributions to Pensions, Civil Service		4,500 00
Premium, Discount and Exchange		2,500 00
Railway Subsidies Tax		15,000 00
		$ 4,747,394 72

STATEMENT F.

ESTIMATED EXPENDITURE, 1904-1905.

		$ cts.
Public Debt		$1,609,475 65
Legislation		216,340 70
Civil Government		278,188 50
Administration of Justice		630,174 30
Public Instruction		483,460 00
Colonization		140,500 00
Public Works (Ordinary)	$122 204 69	
do (Extraordinary)	52,023 18	
		174,227 87
Agriculture		285,350 00
Lands, Mines & Fisheries		21[illegible] 00
Lunatic Asylums		365,[illegible] 00
Reformatory and Industrial Schools		60,000 00
Charities		45,210 75
Charges on Revenue		126,000 00
Miscellaneous Services		103,800 00
		4,733,852 77
Railway Subsidies		74,746 41

,282,194 72

331,000 00

,380,000 00

256,800 00
70,000 00
700,000 00
260,000 00
280,000 00
6,500 00
100 00
90,000 00
25,000 00
15,000 00
18,000 00
1,400 00
9,000 00
400 00
4,500 00
2,500 00
15,000 00

747,394 72

STATEMENT G.

Approximate statement of Liabilities and Assets of the Province of Quebec at 30th June, 1903.

LIABILITIES.

Funded Debt outstanding as existing before conversion		$33,114,217 33	
Increase of capital by conversion		1,743,526 83	
			$34,857,744 16
Temporary Loan			700,000 00
Trust Deposits			368,984 95
Outstanding Warrants			145,622 52
Railway money subsidies authorized but not yet earned		$136,195 50	
Railway land subsidies converted into money subsidies at 52½ cents per acre, authorized but not yet earned		458,483 58	
			594,679 08
Grant to bridge over the River St. Lawrence at Quebec			160,000 00
Loss on Exchange Bank deposit			25,218 75
Quebec Court House bonds			143,200 00
			$36,995,449 46

ASSETS.

Part of price of Q. M. O. & O. Ry., deposited in Banks	$410,190 00		
do do invested in $29,000 Province of Quebec bonds, loan of 1878, bought at 109%	31,610 00		
do do invested in Quebec Court House bonds	143,200 00		
do do invested in City of Quebec bonds	15,000 00		
Balance of price Q. M. O. & O. Ry., unpaid	7,000,000 00		
		7,600,000 00	
Province of Quebec 3% Inscribed Stock		132,634 77	
Railway grant under Dominion Act 47 Vic., Cap. 8		2,394,000 00	
Cash in Banks		197,114 26	
Cost of Jacques Cartier School, Montreal, to be repaid from sale of property		5,391 11	
Claim *in re* late Hon'ble. Thomas McGreevy		100,000 00	
Advances to various parties		132,437 29	
Quebec Court House tax, under 45 Vic., Cap. 26, and 48 Vic., Cap. 16.		143,200 00	
			10,704,777 43
Excess of Liabilities over Assets at 30th June, 1903.			$26,290,672 03